

UNITED STATES NATIONAL TOURISM ORGANIZATION ACT OF 1996

SEPTEMBER 25, 1996.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BLILEY, from the Committee on Commerce,
submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 2579]

[Including cost estimate of the Congressional Budget Office]

The Committee on Commerce, to whom was referred the bill (H.R. 2579) to establish the National Tourism Board and the National Tourism Organization to promote international travel and tourism to the United States, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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AMENDMENT

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “United States National Tourism Organization Act of 1996”.

SEC. 2. UNITED STATES NATIONAL TOURISM ORGANIZATION.

(a) **ESTABLISHMENT.**—There is established with a Federal charter the United States National Tourism Organization. The Organization shall be a private not-for-profit organization. The Organization shall not be considered a Federal agency.

(b) **DUTIES.**—The Organization shall—

- (1) seek to, and work for, an increase in the share of the United States in the global tourism market;
- (2) develop and implement a national travel and tourism strategy;
- (3) advise the President, the Congress, and the domestic travel and tourism industry on the implementation of the national travel and tourism strategy and on other matters affecting travel and tourism;
- (4) operate travel and tourism promotion programs outside the United States in partnership with the travel and tourism industry in the United States;
- (5) conduct market research necessary for effective promotion of the travel and tourism market; and
- (6) promote United States travel and tourism at international trade shows.

(c) **POWERS.**—The Organization—

- (1) may sue and be sued, make contracts, acquire, hold, and dispose of real and personal property as may be necessary for its corporate purposes;
- (2) may provide financial assistance to any organization or association in furtherance of the purpose of the corporation;
- (3) may adopt and alter a corporate seal;
- (4) may establish and maintain offices for the conduct of the affairs of the Organization; and
- (5) may conduct any and all acts necessary and proper to carry out the purposes of this Act.

(d) **FUNDING.**—The Organization may accept financial contributions, and may accept gifts, legacies, and devices in furtherance of the purposes of this Act. The Organization may also accept such contributions on behalf of the Board to cover the expenses of the Board.

(e) **POLITICAL ACTIVITIES PROHIBITED.**—The Organization shall not engage in any activities designed in part or in whole to promote a political party or the candidacy of any person seeking or holding political office.

SEC. 3. UNITED STATES NATIONAL TOURISM ORGANIZATION BOARD.

(a) **ESTABLISHMENT.**—There is established the United States National Tourism Organization Board for the purposes of governing and supervising the activities of the Organization.

(b) **MEMBERS.**—The Board members shall be initially appointed or elected as follows:

- (1) The Under Secretary of Commerce for International Trade of the Department of Commerce shall serve as a member ex officio;
- (2) 5 State Travel Directors elected by the National Council of State Travel Directors;
- (3) 5 members elected by the International Association of Convention and Visitors Bureaus;
- (4) 3 members elected by the Air Transport Association;
- (5) 1 member elected by the National Association of Recreational Vehicle Parks and Campgrounds; 1 member elected by the Recreation Vehicle Industry Association;
- (6) 2 members elected by the International Association of Amusement Parks and Attractions;
- (7) 3 members appointed by major companies in the travel payments industry;
- (8) 5 members elected by the American Hotel and Motel Association;
- (9) 2 members elected by the American Car Rental Association; 1 member elected by the American Automobile Association; 1 member elected by the American Bus Association; 1 member elected by Amtrak;

(10) 1 member elected by the American Society of Travel Agents and 1 member elected by the Association of Retail Travel Agents;

(11) 1 member elected by the National Tour Association; 1 member elected by the United States Tour Operators Association;

(12) 1 member elected by the Cruise Lines International Association, 1 member elected by the National Restaurant Association, one member elected by the National Park Hospitality Association, 1 member elected by the Airports Council International; 1 member elected by the Meeting Professionals International, 1 member elected by the American Sightseeing International, and 4 members elected by the Travel Industry Association of America;

(13) 1 member appointed by the Speaker of the House;

(14) 1 member appointed by the Senate majority leader;

(15) 1 member appointed as a representative of the AFL-CIO; and

(16) 1 member appointed by the National Federation of Independent Businesses.

(c) CHAIR.—

(1) APPOINTMENT.—The Board shall elect a Chair for a term of 2 years. If at any time after such initial election there is a subsequent vacancy in the office of the Chair, the President of the Organization shall appoint an acting Chair until such time as the Board reconvenes.

(2) REMOVAL.—Board members may only be removed upon petition by the appointing official, with such petition requiring a $\frac{2}{3}$ vote of the Board for the removal to become effective.

(d) PRESIDENT.—The Board shall appoint and establish the compensation and duties of a President who shall assist the Chair in organizing and carrying out the necessary functions of the Board. The duties of the President shall include serving as a member of the Trade Promotion Coordinating Committee.

(e) MEETINGS.—The Board shall meet at the call of the Chair, but not less frequently than semiannually. The Board must meet within 3 months of appointment of all members, but in any case no later than 6 months after enactment of this Act.

(f) COMPENSATION AND EXPENSES.—The Chair and members of the Board shall serve without compensation but may be compensated for expenses incurred in carrying out the duties of the Board.

(g) DUTIES.—

(1) The Board shall adopt such further bylaws and delegation of authority for itself and the Organization as it deems necessary and proper, which shall—

(A) require at least a three-fifths majority vote for amendment;

(B) set forth the process for the number, terms, and appointment or election of future Board members, not inconsistent with the provisions of this Act (other than subsection (b) of this section);

(C) provide the authority for the hiring and compensation of additional staff; and

(D) establish the procedures for calling meetings and providing appropriate notice, including procedures for closing meetings where confidential information or strategy will be discussed.

(2) The Board shall designate a place of business for the receipt of process, subject to the laws of the State or district so designated, where such laws do not conflict with the provisions of this Act.

(3) The Board shall present testimony and make available reports on its findings and recommendations to the Congress and to legislatures of the States on at least a biannual basis.

(4) Within one year of the date of its first meeting, the Board shall report to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Commerce on a plan for long-term financing for the Organization, with a focus on contributions from the private sector and State and local entities, and, if necessary, make recommendations to the Congress and the President for further legislation.

(5) The Board may suspend or terminate the existence of the Organization if sufficient private sector and local and State government funds are not identified or made available to continue the Organization's operations.

(6) The Board shall appoint and set the terms for liaisons to the Tourism Policy Council established under section 302.

SEC. 4. UNITED STATES GOVERNMENT COOPERATION.

(a) The Secretary of State, Director of the United States Information Agency, Secretary of Commerce, the United States Trade Representative, and the Trade and Development Agency shall—

(1) give priority consideration to recommendations of the Organization; and

(2) cooperate with the Organization in carrying out its duties.

(b) The Under Secretary for International Trade, the Assistant Secretary for Trade Development, the United States and Foreign Commercial Service, the Director of the United States Information Agency, the United States Trade Representative, and the Trade and Development Agency shall report within 2 years of enactment of this Act, and every 2 years thereafter to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Commerce on any travel and tourism activities carried out with the participation of the United States Federal Government.

SEC. 5. TRADE PROMOTION COORDINATING COMMITTEE.

Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) in subsection (c) by adding at the end thereof:

“(6) give priority consideration to the recommendations of the United States National Tourism Organization.”; and

(2) in paragraph (d)(1) by striking “and” in “(L)”, by redesignating “(M)” as “(N)”, and by inserting the following:

“(M) the President of the United States National Tourism Organization; and”.

SEC. 6. REPEAL OF UNITED STATES TRAVEL AND TOURISM ADMINISTRATION AND RELATED PROVISIONS.

Sections 202, 203, 204, 205, 206, 301, 303, 304, 305, 306, and 307 of the International Travel Act of 1961 (22 U.S.C. 2123, 2123a–2123d, 2124, 2124b, 2124c, and 2125–2129) are repealed.

SEC. 7. POWERS AND DUTIES OF SECRETARY OF COMMERCE.

Section 201 of the International Travel Act of 1961 (22 U.S.C. 2122) is amended to read as follows:

“SEC. 201. In order to carry out the national tourism policy established in section 101(b) and by the United States National Tourism Organization Act of 1996, the Secretary of Commerce (hereafter in this Act referred to as the ‘Secretary’) shall develop and implement a comprehensive plan to perform critical tourism promotion functions which, in the determination of the Secretary, are not being carried out by the United States National Tourism Organization or other private sector entities or State governments. Such plan may include programs to—

“(1) collect and publish comprehensive international travel and tourism statistics and other marketing information;

“(2) design, implement, and publish international travel and tourism forecasting models;

“(3) facilitate the reduction or elimination of barriers to international travel and tourism; and

“(4) work with the United States National Tourism Organization, the Tourism Policy Council, State tourism agencies, and Federal agencies in—

“(A) coordinating the Federal implementation of a national travel and tourism policy;

“(B) representing the United States’ international travel and tourism interests to foreign governments; and

“(C) maintaining United States participation in international travel and tourism trade shows and fairs until such activities can be transferred to such Organization and other private sector entities.”.

SEC. 8. TOURISM POLICY COUNCIL.

Section 302 of the International Travel Act of 1961 (22 U.S.C. 2124a) is repealed and the following is inserted:

“SEC. 301. (a) In order to ensure that the United States’ national interest in tourism is fully considered in Federal decision making, there is established a coordinating council to be known as the Tourism Policy Council (hereafter in this Act referred to as the ‘Council’).

“(b) The Council shall consist of the following individuals:

“(1) The Secretary of Commerce, who shall serve as the Chairman of the Council.

“(2) The Under Secretary of Commerce for International Trade.

“(3) The Director of the Office of Management and Budget.

“(4) The Secretary of State.

“(5) The Secretary of Interior.

“(6) The Secretary of Labor.

“(7) The Secretary of Transportation.

“(8) The Commission of the United States Customs Service.

“(9) The Commissioner of the Immigration and Naturalization Service.

“(10) Representatives of other Federal agencies which have affected interests at each meeting as deemed appropriate and invited by the Chairman.

“(c) The Chairman is encouraged to consult with, and, to the extent the Chairman determines is appropriate, invite the direct participation in Council meetings of, the liaisons to the Council appointed under section 3(g) of the United States National Tourism Organization Act of 1996.

“(d) Members of the Council shall serve without additional compensation.

“(e) The Council shall conduct its first meeting not later than 90 days after the date of the enactment of the United States National Tourism Organization Act of 1996. Thereafter the Council shall meet not less than 2 times each year.

“(f)(1) The Council shall coordinate national policies and programs relating to international travel and tourism, recreation, and national heritage resources, which involve Federal agencies;

“(2) The Council may request directly from any Federal department or agency such personnel, information, services, or facilities as deemed necessary by the Chairman and to the extent permitted by law and within the limits of available funds.

“(3) Federal departments and agencies may, in their discretion, detail to temporary duty with the Council such personnel as the Chairman may request for carrying out the functions of the Council. Each such detail of personnel shall be without loss of seniority, pay, or other employee status.

“(g) Where necessary to prevent the public disclosure of non-public information which may be presented by a Council member, the Council may hold, at the discretion of the Chairman, a closed meeting which may exclude any individual who is not an officer or employee of the United States.

“(h) The Council shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress on or before December 31 of each year. The report shall include—

“(1) a comprehensive and detailed report of the activities and accomplishments of the Council;

“(2) the results of Council efforts to coordinate the policies and programs of member's agencies that have a significant effect on international travel and tourism, recreation, and national heritage resources, including progress towards resolving interagency conflicts and development of cooperative program activity;

“(3) an analysis of problems referred to the Council by State and local governments, the tourism industry, the United States National Tourism Organization, the Secretary of Commerce, along with a detailed summary of any action taken or anticipated to resolve such problems; and

“(4) any recommendation as deemed appropriate by the Council.”.

SEC. 9. DEFINITIONS.

For purposes of this Act—

(1) the term “Organization” means the United States National Tourism Organization established under section 2; and

(2) the term “Board” means the United States National Tourism Organization Board established under section 3.

PURPOSE AND SUMMARY

H.R. 2579, as reported, will establish a United States National Tourism Organization (USNTO) as a privately-funded, non-profit, non-Federal organization. The USNTO will be governed by a broad cross-section of the American travel and tourism industry, and will work to (1) promote the United States' share of the international travel and tourism market; (2) develop and implement a national travel and tourism strategy; (3) advise the President and Congress on how to implement this strategy and on other critical matters affecting the travel and tourism industry; (4) conduct travel and tourism market research; and (5) promote the interests of the United States travel and tourism industry at international trade shows. Federal agencies which conduct activities relating to international travel and tourism are required to give priority consideration to USNTO's recommendations and to report to Congress on any travel

and tourism activities carried out with the participation of the United States Federal government. The authorization for the United States Travel and Tourism Administration (USTTA) is repealed, with the travel and tourism-related responsibilities of the Secretary of the Department of Commerce revised to be more narrowly focused on only those functions which the private sector is unable to implement effectively.

BACKGROUND AND NEED FOR LEGISLATION

International travel and tourism is a multi-billion dollar industry in the United States. According to the Department of Commerce, inbound international tourism is our largest business services export, contributing towards a \$22 billion 1994 surplus in America's international travel account. The tourism industry, including local tourism, is the nation's second largest employer, and ranks third in retail sales at \$417 billion.

Unfortunately, recent Federal tourism promotion efforts have failed to stem the rapid erosion of our country's international tourism market share. In 1993, the United States Travel and Tourism Administration (USTTA) in the Department of Commerce received \$19.2 million to increase Federal efforts to promote international travel and tourism. For 1994, Congress appropriated another \$21.5 million to further the USTTA's activities. Despite this infusion of Federal resources, the United States share of worldwide travel receipts actually dropped over the past three years, from a peak of 19.3 percent in 1992 down to 15.7 percent by the end of 1994. The United States has now fallen to only the third leading international destination, with its share of total global arrivals plummeting well over 8 percent. In part because of the failure of the USTTA to significantly positively impact America's international travel and tourism interests, Congress this year chose to discontinue USTTA's funding, effectively shutting the agency down.

To preserve American interests and reverse this precipitous decline, the United States needs a new system for developing and implementing tourism policy and promotion. H.R. 2579, as amended, would form a new framework for the wide variety of businesses that compose the travel and tourism industry that will enable them to work together to maintain and enhance the United States share of the world market. It creates a Federally-chartered private tourism organization to promote and coordinate international travel and tourism to the United States. In so doing, it also will effectively transfer to the private sector the mantle of national tourism policy leadership from the recently dismantled and now defunct United States Travel and Tourism Administration.

HEARINGS

On January 24, 1996, the Subcommittee on Commerce, Trade, and Hazardous Materials held a joint hearing on H.R. 2579 with the Committee on International Relations Subcommittee on International Economic Policy and Trade. Testimony was received from the Honorable Greg Farmer, Under Secretary of Commerce for Travel and Tourism, U.S. Department of Commerce; the Honorable Judd Buchanan, Chairman, Tourism Commission of Canada; Mr.

Judson Green, President, Walt Disney Attractions, Inc.; Mr. Roger Ballou, Vice Chairman, Alamo Rent-a-Car, Inc.; Mr. Jonathan Tisch, President and CEO, Loews Hotels; and Mr. Jonathan S. Linen, Vice Chairman, American Express Co.

COMMITTEE CONSIDERATION

On May 7, 1996, the Subcommittee on Commerce, Trade, and Hazardous Materials met in open markup session and approved H.R. 2579, the United States National Tourism Organization Act of 1996, for Full Committee consideration, as amended, by a voice vote.

On July 24, 1996, the Committee on Commerce met in open markup session and ordered H.R. 2579 reported to the House, as amended, by voice vote, a quorum being present.

ROLLCALL VOTES

Clause 2(1)(2)(B) of rule XI of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and on amendments thereto. There were no recorded votes taken in connection with ordering H.R. 2579 reported or in adopting the amendment. The voice votes taken in Committee are as follows.

COMMITTEE ON COMMERCE, 104TH CONGRESS, VOICE VOTES, JULY 24,
1996

Bill: H.R. 2579, United States National Tourism Organization Act of 1996.

Amendment: Amendment offered by Mr. Oxley re: repeal USTTA's authorizing language, narrow the new travel and tourism related focus of the Secretary of Commerce, and for other purposes.

Disposition: Agreed to, by a voice vote.

Motion: Motion by Mr. Bliley to order H.R. 2579 reported to the House, as amended.

Disposition: Agreed to, by a voice vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 2(1)(3)(A) of rule XI of the Rules of the House of Representatives, the Subcommittee on Commerce, Trade, and Hazardous Materials held a legislative hearing and made findings that are reflected in this report.

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Pursuant to clause 2(1)(3)(D) of Rule XI of the Rules of the House of Representatives, no oversight findings have been submitted to the Committee by the Committee on Government Reform and Oversight.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

In compliance with clause 2(1)(3)(B) of Rule XI of the Rules of the House of Representatives, the Committee states that H.R. 2579 would result in no new or increased budget authority or tax expenditures or revenues.

COMMITTEE COST ESTIMATE

In compliance with clause 7(a) of Rule XIII of the Rules of the House of Representatives, the Committee believes that enactment of H.R. 2579 would result in minimal additional costs to the Federal government. The Committee further adopts as its own, with the reservations described below, the cost estimate prepared by the Director of the Congressional Budget Office (CBO) pursuant to section 403 of the Congressional Budget Act of 1974.

The revisions made by the Committee to the International Travel Act of 1961 (22 U.S.C. 2122–2129) narrow, not expand, the existing duties of the Secretary of the Department of Commerce, to focus on the remaining tourism promotion activities still being carried out by the Department. The Committee notes that the specifically authorized activities would actually be decreased by this legislation, resulting in no additional costs beyond current authorization levels.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 2(1)(3)(C) of Rule XI of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 1, 1996.

Hon. THOMAS J. BLILEY, Jr.,
*Chairman, Committee on Commerce,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 2579, the United States National Tourism Organization Act of 1996, as ordered reported by the House Committee on Commerce on July 24, 1996. Assuming the appropriation of the necessary amounts, we estimate that enacting this bill could result in increased discretionary spending of about \$2 million per year for fiscal years 1997 and 1998, and between \$3 million and \$5 million per year thereafter. Enacting H.R. 2579 would affect direct spending and receipts; hence, pay-as-you-go procedures would apply to the bill. However, CBO estimates that there would be no net impact on direct spending over time, and that the effect on receipts would be insignificant.

Bill purpose: This bill would change the statutory basis of the travel and tourism programs administered by the Department of Commerce (DOC) and would establish a United States National Tourism Organization (USNTO) as a not-for-profit organization chartered by the federal government. The USNTO would be authorized to undertake a wide range of activities to promote tourism under the guidance of a National Tourism Organization Board. Although the USNTO would be a nongovernmental entity, the Under Secretary of Commerce for International Trade would serve as an ex-officio member of the board.

H.R. 2579 would repeal the existing authorization for most of DOC's tourism activities and replace it with new statutory requirements. Under this measure, the department would be required to

perform certain tasks not being done by the USNTO, states, or private sector, primarily in areas related to data collection, statistical modeling, official representation, and easing barriers to international travel and tourism. The bill also would direct the Department of State, the United States Information Agency (USIA), the United States Trade Representative, the Trade and Development Agency (TDA), and DOC to cooperate with the USNTO and give priority consideration to its recommendations. These and other federal agencies would be required to report to the Congress on their activities every two years. Finally, the bill would repeal DOC's authority to impose certain fees on commercial airlines and passenger cruise ship companies and to levy civil penalties for noncompliance.

Impact on spending subject to appropriation: Based on information provided by the Department of Commerce, CBO estimates that DOC would spend about \$2 million annually to develop and implement the kinds of programs outlined in this bill, assuming the appropriation of the necessary amounts. This is equivalent to the amount budgeted for fiscal year 1996 for the activities authorized under current law.

The bill also would authorize certain agencies to devote resources to coordinating with the USNTO and giving priority consideration to the organization's recommendations. The extent of such agency efforts would depend on the nature of the USNTO's proposals, but could range from limited staff liaison to new program initiatives. For example, if the USNTO proposed initiatives similar to those recommended by the 1995 White House Commission on Travel and Tourism, we estimate that the USIA could spend between \$1 million and \$3 million annually to implement those proposals, assuming the appropriation of the necessary amounts. Any costs resulting from USNTO's recommendations to federal agencies would probably not be incurred until fiscal year 1999 because of the time needed by the USNTO to develop proposals and by the agencies and the Congress to consider them.

We estimate that other provisions of the bill would have no significant impact on discretionary spending.

Impact on direct spending and revenues: Authorizing the Department of State to assign priority to USNTO proposals could affect direct spending because recommendations for new initiatives probably would pertain to border security and visas, which are financed by fees charged for machine-readable visas. CBO estimates that enacting this bill would have no net impact on direct spending by the department over time, because it would not change the amount of collections or the expenditure of those collections.

Repealing DOC's authority to impose fees and related civil penalties on commercial airlines and cruise companies could affect offsetting receipts and revenues, but we estimate that any impact would not be significant, because the department has never imposed such fees.

Mandates statement: H.R. 2579 contains no intergovernment or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4) and would not impose costs on the budgets of state, local, or tribal governments. The bill would eliminate the authorization for assistance to state and local governments for tourism marketing activities. However, these activities

are not mandated, and all funding for the Travel and Tourism Administration, which administered the programs, was eliminated on December 31, 1995.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Kathleen Gramp (for federal costs), and Leo Lex (for the state and local impact).

Sincerely,

JUNE E. O'NEILL, *Director*.

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee finds that the bill would have no inflationary impact.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

SECTION 1. SHORT TITLE

The title of the Act is the "United States National Tourism Organization Act of 1996."

SECTION 2. UNITED STATES NATIONAL TOURISM ORGANIZATION

Section 2 establishes the United States National Tourism Organization (USNTO), a private, not-for-profit, Federally-chartered organization. The USNTO shall not be considered a Federal agency, and thus is not subject to Federal sunshine laws and similar restrictions applying solely to the Executive Branch. The Committee intends that the USNTO shall receive a 501(c)(6) status designation from the Internal Revenue Service.

The USNTO is responsible for: increasing the United States' share of international travel and tourism; developing and implementing a national travel and tourism strategy; advising the President and Congress on the implementation of such strategy; operating travel and tourism promotion programs overseas; conducting travel and tourism market research; and promoting United States travel and tourism at international trade shows. The Committee intends that the USNTO shall work with the Department of Commerce's International Trade Administration and United States & Foreign Commercial Service, and other Federal agencies, to assume many of the former roles of the USTTA (see Section 7 for the continued duties of the Secretary of Commerce).

The USNTO may accept financial contributions on behalf of itself or the USNTO Board (established in Section 3), and may enter into litigation, contracts, or investments in its own name. The USNTO may also provide financial assistance to any organization or association in furtherance of the USNTO's purpose and responsibilities. It is prohibited, however, from promoting a political party or candidate, although it is not restricted from promoting an issue or specific legislation.

SECTION 3. UNITED STATES NATIONAL TOURISM ORGANIZATION BOARD

Section 3 establishes a USNTO Board to govern the USNTO. The Board includes 46 members from specified private-sector associations, as well as a representative from the Commerce Department,

the House of Representatives, and the Senate. The Board will meet at least semi-annually, serve without compensation, elect a Chair, and a President (who will serve on the Trade Promotion Coordinating Committee), and create bylaws for the election or appointment of future Board members and for the hiring of additional staff and delegation of authority. The Committee does not intend to restrict the Board's ability to choose the number of future Board members or the composition of the Board, or to limit the ability of the Board to establish additional management, supervisory, or advisory structures.

The Board shall establish procedures for: calling meetings and providing notice; closing meetings where confidential information will be discussed; designating a place of an official business for receipt of process; and appointing liaisons to the Tourism Policy Council (a Federal coordinating organization chaired by the Secretary of the Department of Commerce). The Committee recognizes that members of the travel and tourism industry have already established a national organization, the "USA National Tourism Organization, Inc." (USA NTO, Inc.) to promote international tourism on an interim basis, and it is the Committee's assumption that the USA NTO, Inc. shall coordinate the first Board meeting.

The Board shall present findings to Congress at least biannually, and shall report to the House Committee on Commerce and the Senate Committee on Commerce, Science, and Transportation, within one year of its first meeting, on a plan for long-term funding, with a focus on contributions from the private sector and local and State entities. The Board may suspend or terminate the USNTO if sufficient private sector and local and State funds are not received. While this section does not preclude any Federal funding, the Committee intends that the USNTO's funding should be generated by primarily non-Federal sources.

SECTION 4. UNITED STATES GOVERNMENT COOPERATION

Section 4 directs the Secretary of State, the Director of the United States Information Agency, the Secretary of Commerce, the United States Trade Representative, and the Trade and Development Agency to give priority consideration to the recommendations of the USNTO and to cooperate with USNTO activities. While the Committee recognizes that Federal agencies, coordinated by the Tourism Policy Council, must continue to retain ultimate responsibility for determining Federal travel and tourism policies, the Committee intends that Federal agencies shall look primarily to the USNTO for development of a national travel and tourism strategy and work together with the USNTO to implement and monitor the effectiveness of such strategy.

The Under Secretary for International Trade, the Assistant Secretary for Trade Development, the United States and Foreign Commercial Service, the Director of the United States Information Agency, the United States Trade Representative, and the Trade and Development Agency shall report every two years to the House Committee on Commerce and the Senate Committee on Commerce, Science, and Transportation on any travel and tourism activities carried out with the participation of the United States Federal government. The Committee intends that these reports include any ac-

tivities of these agencies that will have a significant impact on the United States share of international travel and tourism.

SECTION 5. TRADE PROMOTION COORDINATING COMMITTEE

The Trade Promotion Coordinating Committee (TPCC) is directed to give priority consideration to the recommendations of the USNTTO, and the President of the USNTTO is made a member of the TPCC.

SECTION 6. REPEAL OF UNITED STATES TRAVEL AND TOURISM ADMINISTRATION AND RELATED PROVISIONS

Section 6 repeals USTTA's authorizing statutes and related provisions, including: restrictions on the Secretary of Commerce's performance of travel and tourism related duties; directives and restrictions relating to tourism marketing programs; required reporting by the Secretary on tourism trade barriers; directives to the Secretary on facilitation of entry of foreign tourists; establishment of the Travel and Tourism Advisory Board and the Rural Tourism Development Foundation; and the collection of a USTTA Facilitation Fee with corresponding civil fines. The Committee intends to allow the Secretary greater discretion and flexibility in carrying out a more narrow focus on international travel and tourism, without restrictions on method or required structure.

SECTION 7. POWERS AND DUTIES OF SECRETARY OF COMMERCE

The tourism-related duties of the Secretary of Commerce are narrowed to focus on critical promotion functions which, in the determination of the Secretary, are not being carried out by the USNTTO or other private sector or State entities. The Committee intends that the Secretary will not undertake any travel and tourism promotion activities which would otherwise be carried out by the USNTTO or others, but if such activities are not, or would not likely be, adequately performed by the States and private sector, that the Secretary continue to fill that void.

The Secretary is directed to develop a tourism promotion plan, which may include programs to: collect and publish international travel and tourism statistics and other marketing information; design, implement, and publish international travel and tourism forecasting models; facilitate the reduction or elimination of barriers to international travel and tourism; and work with the USNTTO, the Tourism Policy Council, State tourism agencies, and Federal agencies, to coordinate the Federal implementation of a national travel and tourism policy, represent the United States international travel and tourism interests to foreign governments, and maintain United States participation in international travel and tourism trade shows and fairs until such activities can be transferred to the USNTTO and other private sector entities.

SECTION 8. TOURISM POLICY COUNCIL

The Tourism Policy Council is slimmed down for greater effectiveness. The Secretary of Commerce, as the Chairman of the Council, is encouraged to consult with, and to the extent the Chair deems appropriate, invite the direct participation in Council meet-

ings of the USNTO liaisons, as well as representatives of additional Federal agencies which have affected interests. The Committee intends that the Secretary will regularly invite USNTO liaisons to Council meetings and, where appropriate, integrate them into the Council to the extent possible without compromising disclosure of non-public information.

Where necessary to prevent the public disclosure of non-public information which may be presented by a Council member, the Council is allowed, at the discretion of the Chairman, to hold a closed meeting, and may exclude any individual who is not a Federal officer or employee. The Committee intends that the Council is not required to exclude non-Federal individuals, such as USNTO liaisons, in order to close a meeting to the general public.

Provisions requiring designation of agency alternates are eliminated, as well as travel reimbursement provisions, specification of additional Council duties, authority to force Council agency members to transfer staff and resources to the Council, and limits on the purpose of policy committees. The Committee intends that participating or interested Federal agencies may, and should, continue to transfer resources as necessary to ensure the effectiveness of the Council. The Committee further recognizes that the Council may continue to form policy committees, and deletion of these limiting provisions are only intended to allow the Council greater flexibility in carrying out its activities.

SECTION 9. DEFINITIONS

Section 9 defines “Organization” as the USNTO, and “Board” as the USNTO’s Board.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 2312 OF THE EXPORT ENHANCEMENT ACT OF 1988

SEC. 2312. TRADE PROMOTION COORDINATING COMMITTEE.

(a) * * *

* * * * *

(c) STRATEGIC PLAN.—To carry out subsection (b), the TPCC shall develop and implement a governmentwide strategic plan for Federal trade promotion efforts. Such plan shall—

(1) * * *

* * * * *

(6) *give priority consideration to the recommendations of the United States National Tourism Organization.*

(d) MEMBERSHIP.—

(1) IN GENERAL.—Members of the TPCC shall include representatives from—

(A) * * *

* * * * *

(L) the Export-Import Bank of the United States; **[and]**
(M) the President of the United States National Tourism
Organization; and

[(M)] *(N)* at the discretion of the President, such other
 departments or agencies as may be necessary.

* * * * *

INTERNATIONAL TRAVEL ACT OF 1961

* * * * *

TITLE II—DUTIES

[SEC. 201. In order to carry out the national tourism policy established by section 101(b) the Secretary of Commerce (hereafter in this Act referred to as the “Secretary”) shall—

[(1) develop, plan, and carry out a comprehensive program designed to stimulate and encourage travel to the United States by residents of foreign countries for the purpose of study, culture, recreation, business, and other activities as a means of promoting friendly understanding and good will among peoples of foreign countries and of the United States;

[(2) provide export promotion services that will increase the number of States, local governments (as defined in section 3371(2) of title 5, United States Code), and companies in the United States that sell their tourism services in the international market, expand the number of foreign markets in which exporting States, cities, and companies are active, and inform States, cities, and companies in the United States regarding the specialized services the international market requires;

[(3) encourage the development of receptive, linguistic, informational, currency exchange, meal, and package tour services required by the international market;

[(4) foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States consistent with sound economic principles;

[(5) encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally;

[(6) collect, publish, and provide for the exchange of statistics and technical information, including schedules of meetings, fairs, and other attractions, relating to international travel and tourism; and

[(7) encourage to the maximum extent feasible travel to and from the United States on United States carriers and the use of other United States providers of travel products and services; and

[(8) advise and provide information and technical assistance to United States firms seeking to facilitate travel to and from the emerging democracies of Eastern Europe and the former Soviet Union and compile statistics, as available, regarding such travel.

[SEC. 202. (a) In performing the duties set forth in section 201, the Secretary—

[(1) shall utilize the facilities and services of existing agencies of the Federal Government to the fullest extent possible including the maximum utilization of counterpart funds; and, to the fullest extent consistent with the performance of their own duties and functions, such agencies shall permit such utilization of facilities and services;

[(2) may consult and cooperate with individuals, businesses, and organizations engaged in or concerned with international travel, including local, State, Federal, and foreign governments, and international agencies;

[(3) may obtain by contract and otherwise the advice and services of qualified professional organizations and personnel;

[(4) after consultation with the Secretary of State, may establish such branches in foreign countries, as he deems to be necessary and desirable.

[(5) shall provide financial assistance under section 203 to cooperative tourism marketing programs;

[(6) may enter into contracts with private profit- or non-profit-making individuals, businesses, and organizations for projects designed to carry out the purposes of this Act whenever he determines that such projects cannot be accomplished under the authority of paragraph (5) of this subsection;

[(7) may make awards of merchandise manufactured and purchased in the United States to travel agents and tour operators in foreign countries as an incentive for their promotion of travel to the United States by residents of foreign countries; and the Secretary may establish such policies, standards, criteria, and procedures as he may deem necessary or appropriate for the administration of this paragraph;

[(8) shall establish facilitation services at major ports-of-entry of the United States;

[(9) shall consult with foreign governments on travel and tourism matters and, in accordance with applicable law, represent the United States national tourism interest before international and intergovernmental meetings;

[(10) shall develop and administer a comprehensive program relating to travel industry information, data service, training and education, and technical assistance;

[(11) shall develop a program to seek and to receive information on a continuing basis from the tourism industry, including consumer and travel trade associations, regarding needs and interests which should be met by a Federal agency or program and to direct that information to the appropriate agency or program;

[(12) shall encourage to the maximum extent feasible travel to and from the United States on United States carriers and

the use of other United States providers of travel products and services;

[(13) shall assure coordination within the Department of Commerce so that, to the extent practicable, all the resources of the Department are used to effectively and efficiently carry out the national tourism policy;

[(14) may only promulgate, issue, rescind, and amend such interpretive rules, general statements of policy, and rules of agency organization, procedure, and practice as may be necessary to carry out this Act; and

[(15) may assist the Rural Tourism Development Foundation, established under section 4 of the Tourism Policy and Export Promotion Act of 1992, in the development and promotion of rural tourism.

[(b) The Secretary, under the authority of this Act, shall not provide or arrange for transportation for, or accommodations to, persons traveling between foreign countries and the United States in competition with business engaged in providing or arranging for such transportation or accommodations.

[(c) No financial assistance will be made available under section 203 unless the Secretary determines that matching funds will be available from State or other non-Federal sources. Any recipient of financial assistance under section 203 shall provide matching funds (consisting of actual dollar expenditures on the program for which such financial assistance is provided) equal to at least 25 percent of such financial assistance. The Secretary is authorized to establish such policies, standards, criteria, and procedures and to prescribe such rules and regulations as he may deem necessary or appropriate for the administration this subsection. Each recipient of assistance under section 203 shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

[(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the assistance received under section 203.

[(e)(1) The Secretary's tourism trade development efforts shall focus on the markets which have the greatest potential for increasing travel and tourism revenues.

[(2) By October 1 of each year (commencing October 1, 1993), the Secretary shall publish a notice in the Federal Register soliciting comment, from persons interested in tourism trade, concerning markets that would be an appropriate focus of tourism trade development efforts to be carried out in the twelve-month period that begins twelve months after the notice is published.

[(3) Not later than three months after the notice is published under paragraph (2), the Secretary shall select the markets that the Secretary determines are an appropriate focus of tourism trade

development efforts to be carried out in the twelve-month period described in paragraph (2). The selection shall be announced by publication in the Federal Register.

[(4) At the same time the Secretary announces the selection of markets under paragraph (3), the Secretary shall issue a request for proposals from cooperative tourism marketing programs to develop and implement tourism trade development programs applicable to the markets so selected. The Secretary shall provide financial assistance in accordance with section 203 to carry out proposals submitted under this subparagraph. Such financial assistance shall be provided on or before September 30 of the year in which the markets are selected under paragraph (3).

[(5) During each twelve-month period described in paragraph (2), tourism trade development efforts shall be directed at the markets selected under paragraph (3).

[SEC. 203. (a) The Secretary shall provide financial assistance to cooperative tourism marketing programs in accordance with this section.

[(b)(1) To be eligible for financial assistance under subsection (a), a cooperative tourism marketing program shall, at a minimum—

[(A) involve the participation of—

[(i) two or more States;

[(ii) one or more States and one or more political subdivisions of States; or

[(iii) one or more States and one or more nonprofit organizations;

[(B) be established for the purpose of increasing the number of foreign visitors to the region in which such States or local governments are located; and

[(C) have a written regional tourism marketing plan which includes advertising, publication of promotional materials, or other promotional or market research activities designed to increase the number of foreign visitors to such region.

[(2) Financial assistance may be provided under subsection (a) if the applicant for the assistance demonstrates to the satisfaction of the Secretary that the assistance will be used for a purpose described in subsection (c) and that—

[(A) such cooperative tourism marketing program for which the financial assistance will be provided will increase the travel of foreign visitors to the region for which the assistance is sought;

[(B) such program will contribute to the economic well-being of such region;

[(C) such region is developing or has developed a regional transportation system that will enhance travel to the facilities and attractions in such region; and

[(D) such program will focus its efforts on the countries in the markets selected by the Secretary under section 202(e)(3).

[(c) Financial assistance provided under subsection (a) may be used for the purpose of—

[(1) promoting or marketing to foreign visitors or potential foreign visitors the tourism and recreational opportunities in the region for which such financial assistance is sought;

[(2) targeting foreign visitors to develop or enhance their interest in tourism and recreational opportunities in such region;

[(3) encouraging the development by such cooperative tourism marketing program of regional strategies for international tourism promotion and marketing; or

[(4) developing and implementing tourism trade development programs applicable to markets selected under section 202(e)(3).

[(d) In connection with financial assistance provided under subsection (a), a cooperative tourism marketing program may enter into agreements with individuals and private profit and nonprofit businesses and organizations who will assist in carrying out the purposes for which such financial assistance is provided. Such an agreement shall be disclosed in any application for financial assistance under subsection (a) and such an application may be approved by the Secretary only if the Secretary finds that such agreement meets all applicable legal requirements and is consistent with the purposes of this Act.

[(e) After notice and opportunity for public comment and within one hundred and eighty days after the date of enactment of the Tourism Policy and Export Promotion Act of 1992, the Secretary shall issue rules and guidelines to carry out this section. Proposed rules and guidelines shall be issued within ninety days after such date of enactment.

[(f)(1) The total amount of financial assistance that may be provided under subsection (a) shall, in each of the fiscal years 1994, 1995, and 1996, be not less than 25 percent of the amount appropriated to the Secretary for such fiscal year under section 304.

[(2) Not more than 50 percent of the financial assistance provided under subsection (a) for any fiscal year may be used for tourism trade development designed to promote travel and tourism in the United States generally without promotion of a particular area of the United States. Cooperative tourism marketing programs receiving financial assistance under subsection (a) shall pool 50 percent of their financial assistance for such general tourism trade development in each market selected by the Secretary under section 202(e)(3). The Secretary shall provide technical assistance to recipients of such financial assistance and coordinate such efforts.

[SEC. 204. For each calendar year beginning with calendar year 1994, the Secretary shall—

[(1) identify and analyze acts, policies, or practices of each foreign country that constitute significant barriers to, or distortions of, United States travel and tourism exports;

[(2) make an estimate of the trade-distorting impact on United States commerce of any act, policy, or practice identified under paragraph (1); and

[(3) make an estimate, if feasible, of the value of additional United States travel and tourism exports that would have been exported to each foreign country during such calendar year if each of such acts, policies, and practices of such country did not exist.

[SEC. 205. The Secretary shall, in coordination with appropriate Federal agencies, take appropriate action to ensure that foreign tourists are not unnecessarily delayed when entering the United

States and to ensure that the international processing standard of the International Civil Aviation Organization is met.

【SEC. 206. (a) Beginning October 1, 1994, and annually thereafter, the Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives the goals of the United States Travel and Tourism Administration for the applicable forthcoming fiscal year, including quantifiable measures on which such Administration's performance can be evaluated. Such goals shall include—

【(1) the number of written and telephone inquiries regarding the possibility of foreign travel to the United States expected to be generated by the financial assistance provided to cooperative tourism marketing programs under section 203;

【(2) the number of tour packages for foreign visitors to the United States expected to be sold in connection with such financial assistance;

【(3) the number of tourists from countries in markets selected under section 202(e)(3) expected to visit the United States destinations being promoted in such countries in connection with such financial assistance; and

【(4) the actions recommended to eliminate acts, policies, and practices of foreign countries identified under section 204 that constitute significant barriers to or distortions of United States travel and tourism exports.

【(b) By December 31, 1995, and annually thereafter, the Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report outlining the degree to which the goals set forth for the prior fiscal year have been attained. Such report shall include—

【(1) the number of written and telephone inquiries regarding the possibility of foreign travel to the United States actually received by the Secretary and by persons receiving financial assistance under section 203;

【(2) the number of tour packages for foreign visitors to the United States actually sold in connection with such financial assistance;

【(3) the number of tourists from countries in markets selected under section 202(e)(3) that actually visited the United States destinations being promoted in such countries in connection with such financial assistance;

【(4) an evaluation of the effectiveness of such financial assistance; and

【(5) an evaluation of the effectiveness of any actions recommended under subsection (a)(4) which were taken to eliminate acts, policies, and practices that constitute significant barriers to, or distortions of, United States travel and tourism exports.

【(c) The Secretary shall collect from persons receiving financial assistance under section 203 such information as may be necessary to enable the Secretary to comply with subsections (a) and (b). The Secretary may condition the receipt of such financial assistance on the agreement of the recipient to provide such information to the

Secretary at such times and in such manner and form as the Secretary deems appropriate.】

SEC. 201. In order to carry out the national tourism policy established in section 101(b) and by the United States National Tourism Organization Act of 1996, the Secretary of Commerce (hereafter in this Act referred to as the “Secretary”) shall develop and implement a comprehensive plan to perform critical tourism promotion functions which, in the determination of the Secretary, are not being carried out by the United States National Tourism Organization or other private sector entities or State governments. Such plan may include programs to—

(1) collect and publish comprehensive international travel and tourism statistics and other marketing information;

(2) design, implement, and publish international travel and tourism forecasting models;

(3) facilitate the reduction or elimination of barriers to international travel and tourism; and

(4) work with the United States National Tourism Organization, the Tourism Policy Council, State tourism agencies, and Federal agencies in—

(A) coordinating the Federal implementation of a national travel and tourism policy;

(B) representing the United States’ international travel and tourism interests to foreign governments; and

(C) maintaining United States participation in international travel and tourism trade shows and fairs until such activities can be transferred to such Organization and other private sector entities.

TITLE III—ADMINISTRATION

【SEC. 301. (a)(1) There is established in the Department of Commerce a United States Travel and Tourism Administration which shall be headed by an Under Secretary of Commerce for Travel and Tourism who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall report directly to the Secretary. All the duties and responsibilities of the Secretary under this Act shall be exercised directly by the Secretary or by the Secretary through the Under Secretary of Commerce for Travel and Tourism.

【(2) The Secretary shall designate a Deputy Under Secretary for Tourism Trade Development who shall be drawn from, and serve as a member of, the career service. The Deputy Under Secretary shall have responsibility for—

【(A) facilitating the interaction between industry and government concerning tourism trade development;

【(B) directing and managing field operations;

【(C) directing program evaluation research and industry statistical research;

【(D) developing an outreach program to those communities with underutilized tourism potential to assist them in development of strategies for expansion of tourism trade;

[(E) implementing the program to provide financial assistance under section 203 in support of non-Federal tourism trade development activities; and

[(F) performing such other functions as the Under Secretary may assign.

[(b)(1) The Secretary may not reduce the total number of employees of the United States Travel and Tourism Administration assigned to the offices of the Administration in foreign countries to a number which is less than the total number of employees of the United States Travel Service assigned to offices of the Service in foreign countries in fiscal year 1979.

[(2) In any fiscal year the amount of funds which shall be made available from appropriations under this Act for obligation for the activities of the offices of the United States Travel and Tourism Administration in foreign countries shall not be less than the amount obligated in fiscal year 1980 for the activities of the offices of the United States Travel Service in foreign countries.

[(c) The Under Secretary of Commerce for Travel and Tourism shall continue to seek the assistance of the United States and Foreign Commercial Service and shall continue to be available to assist the United States Travel and Tourism Administration at locations identified by the Under Secretary, in consultation with the Director General of the United States and Foreign Commercial Service, as necessary to assist the Administration's foreign offices in stimulating and encouraging travel to the United States by foreign residents and in carrying out other powers and duties of the Secretary specified in section 202.

[(d) The expenditures for personnel compensation, rental payments, communications, utilities, miscellaneous charges, and equipment shall not exceed—

[(1) in fiscal year 1993, 55 percent of the amount appropriated to the Secretary under section 304;

[(2) in fiscal year 1994, 52.5 percent of the amount appropriated to the Secretary under section 304; and

[(3) in fiscal year 1995 and in subsequent fiscal years, 50 percent of the amount appropriated to the Secretary under section 304.

[SEC. 302. (a) In order to assure that the national interest in tourism is fully considered in Federal decisionmaking, there is established an interagency coordinating council to be known as the Tourism Policy Council (hereinafter in this section referred to as the "Council").

[(b)(1) The Council shall consist of—

[(A) the Secretary of Commerce who shall serve as Chairman of the Council;

[(B) the Under Secretary for Travel and Tourism who shall serve as the Vice President of the Council and who shall act as Chairman of the Council in the absence of the Chairman;

[(C) the Director of the Office of Management and Budget or the individual designated by the Director from the Office;

[(D) an individual designated by the Secretary of Commerce from the International Trade Administration of the Department of Commerce;

[(E) the Secretary of Energy or the individual designated by such Secretary from the Department of Energy;

[(F) the Secretary of State or the individual designated by such Secretary from the Department of State;

[(G) the Secretary of the Interior or the individual designated by such Secretary from the National Park Service or the Heritage Conservation and Recreation Service of the Department of the Interior;

[(H) the Secretary of Agriculture;

[(I) the Chairman of the Tennessee Valley Authority;

[(J) the Commanding General of the Corps of Engineers of the Army, within the Department of Defense;

[(K) the Administrator of the Small Business Administration;

[(L) the Commissioner of the Immigration and Naturalization Service;

[(M) the Chief Executive Officer of the National Railroad Passenger Corporation;

[(N) the Commissioner of Customs;

[(O) the Secretary of Labor or the individual designated by such Secretary from the Department of Labor; and

[(P) the Secretary of Transportation or the individual designated by such Secretary from the Department of Transportation.

[(2) Members of the Council shall serve without additional compensation, but shall be reimbursed for actual and necessary expenses, including travel expenses, incurred by them in carrying out the duties of the Council.

[(3) Each member of the Council, other than the Vice Chairman, may designate an alternate, who shall serve as a member of the Council whenever the regular member is unable to attend a meeting of the Council or any committee of the Council. The designation by a member of the Council of an alternate under the preceding sentence shall be made for the duration of the member's term on the Council. Any such designated alternate shall be selected from individuals who exercise significant decisionmaking authority in the Federal agency involved and shall be authorized to make decisions on behalf of the member for whom he or she is serving.

[(c)(1) Whenever the Council, or a committee of the Council, considers matters that affect the interests of Federal agencies that are not represented on the Council or the committee, the Chairman may invite the heads of such agencies, or their alternates, to participate in the deliberations of the Council or committee.

[(2) The Council shall conduct its first meeting not later than ninety days after the date of enactment of this section. Thereafter the Council shall meet not less than four times each year.

[(d)(1) The Council shall coordinate policies, programs, and issues relating to tourism, recreation, or national heritage resources involving Federal departments, agencies, or other entities. Among other things, the Council shall—

[(A) coordinate the policies and programs of member agencies that have a significant effect on tourism, recreation, and national heritage preservation;

[(B) develop areas of cooperative program activity;

[(C) assist in resolving interagency program and policy conflicts; and

[(D) seek and receive concerns and views of State and local governments and the Travel and Tourism Advisory Board with respect to Federal programs and policies deemed to conflict with the orderly growth and development of tourism.

[(2) To enable the Council to carry out its functions—

[(A) the Council may request directly from any Federal department or agency such personnel, information, services, or facilities, on a compensated or uncompensated basis, as he determines necessary to carry out the functions of the Council;

[(B) each Federal department or agency shall furnish the Council with such information, services, and facilities as it may request to the extent permitted by law and within the limits of available funds; and

[(C) Federal agencies and departments may, in their discretion, detail to temporary duty with the Council, such personnel as the Council may request for carrying out the functions of the Council, each such detail to be without loss of seniority, pay, or other employee status.

[(3) The Administrator of the General Services Administration shall provide administrative support services for the Council on a reimbursable basis.

[(4)(A) Every year, upon designation by the Secretary in accordance with subparagraph (B), up to three Federal departments and agencies represented on the Council shall each detail to the Council for that year one staff person and associated resources.

[(B) In making the designation referred to in subparagraph (A), the Secretary shall designate a different group of agencies and departments each year and shall not redesignate any agency or department until all the other agencies and departments represented on the Council have been designated the same number of years.

[(e) The Council shall establish such policy committees as it considers necessary and appropriate, each of which shall be comprised of any or all of the members of the Council and representatives from Federal departments, agencies, and instrumentalities not represented on the Council. Each such policy committee shall be designed—

[(1) to monitor a specific area of Federal Government activity, such as transportation, energy and natural resources, economic development, or other such activities related to tourism; and

[(2) to review and evaluate the relation of the policies and activities of the Federal Government in that specific area to tourism, recreation, and national heritage conservation in the United States.

[(f) The Council shall submit an annual report for the preceding fiscal year to the President for transmittal to Congress on or before the thirty-first day of December of each year. The report shall include—

[(1) a comprehensive and detailed report of the activities and accomplishments of the Council and its policy committees;

[(2) the results of Council efforts to coordinate the policies and programs of member agencies that have a significant effect on tourism, recreation, and national heritage reservation, resolve interagency conflicts, and develop area of cooperative program activity;

[(3) an analysis of problems referred to the Council by State and local governments, the tourism industry, the Secretary of Commerce, or any of the Council's policy committees along with a detailed statement of any actions taken or anticipated to be taken to resolve such problems; and

[(4) such recommendations as the Council deems appropriate.

[SEC. 303. (a) There is established the Travel and Tourism Advisory Board (hereinafter in this section referred to as the "Board") to be composed of fifteen members appointed by the Secretary. The members of the Board shall be appointed as follows:

[(1) Not more than eight members of the Board shall be appointed from the same political party.

[(2) The members of the Board shall be appointed from among citizens of the United States who are not regular fulltime employees of the United States and shall be selected for appointment so as to provide as nearly as practicable a broad representation of different geographical regions within the United States and of the diverse and varied segments of the tourism industry.

[(3) Twelve of the members shall be appointed from senior executive officers of organizations engaged in the travel and tourism industry. Of such members—

[(A) at least one shall be a senior representative from a labor organization representing employees of the tourism industry;

[(B) at least two shall be representatives of the States who are knowledgeable of tourism promotion; and

[(C) at least one shall be a representative of a city who is knowledgeable of tourism promotion.

[(4) Of the remaining three members of the Board—

[(A) one member shall be a consumer advocate or ombudsman from the organized public interest community;

[(B) one member shall be an economist, statistician, or accountant; and

[(C) one member shall be an individual from the academic community who is knowledgeable in tourism, recreation, or national heritage conservation.

The Secretary shall serve as an ex officio member of the Board. The duration of the Board shall not be subject to the Federal Advisory Committee Act. A list of the members appointed to the Board shall be forwarded by the Secretary to the Senate Committee on Commerce, Science, and Transportation and the House Committee on Energy and Commerce.

[(b) The members of the Board shall be appointed for a term of office of three years, except that of the members first appointed—

[(1) four members shall be appointed for terms of one year, and

[(2) four members shall be appointed for terms of two years, as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office. Vacancies on the Board shall be filled in the same manner in which the original appointments were made. No member of the Board shall be eligible to serve in excess of six consecutive years or nine years in the aggregate.

[(c) The Chairman and Vice Chairman and other appropriate officers of the Board shall be elected by and from members of the Board other than the Secretary.

[(d) The members of the Board shall receive no compensation for their services as such, but shall be allowed such necessary travel expenses and per diem as are authorized by section 5703 of title 5, United States Code. The Secretary shall pay the reasonable and necessary expenses incurred by the Board in connection with the coordination of Board activities, announcement and reporting of meetings, and preparation of such reports as are required by subsection (f).

[(e) The Board shall meet at least semi-annually and shall hold such other meetings at the call of the Chairman, the Administrator, or a majority of its members.

[(f) The Board shall advise the Secretary with respect to the implementation of this Act. The Board shall prepare an annual report concerning its activities and include therein such recommendations as it deems appropriate with respect to the performance of the Secretary under this Act and the operation and effectiveness of programs under this Act. Each annual report shall cover a fiscal year and shall be submitted on or before the thirty-first day of December following the close of the fiscal year.

[SEC. 304. For the purpose of carrying out this Act there is authorized to be appropriated an amount not to exceed \$8,600,000 for the fiscal year ending September 30, 1982, not to exceed \$21,000,000 for fiscal year 1993, not to exceed \$22,500,000 for fiscal year 1994, not to exceed \$24,000,000 for fiscal year 1995, and not to exceed \$26,000,000 for fiscal year 1996. Funds appropriated under this section may be expended by the Secretary without regard to sections 501 and 3702 of title 44, United States Code. Funds appropriated under this section for the printing of travel promotional materials shall remain available for 2 fiscal years.

[SEC. 305. As used in this Act, the term "United States" and the term "State" are defined to include the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

[SEC. 306. (a) To the extent not inconsistent with treaties or international agreements entered into by the United States, the Secretary, on a calendar quarterly basis beginning January 1, 1991, shall charge and collect from each commercial airline and passenger cruise ship line transporting passengers to the United States, a United States Travel and Tourism Administration Facilitation Fee, in an amount determined under subsection (b).

[(b)(1) During the period from January 1, 1991, through December 31, 1991, the Secretary shall charge each commercial airline and passenger cruise ship line an amount equal to one dollar multiplied by the number of aliens described in section 101(a)(15)(B) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(B)) arriving at any port within the United States aboard a commercial aircraft or cruise ship of such airline or passenger cruise ship line during that calendar quarter.

[(2) Commencing in 1991, the Secretary shall each year determine and publish the amount of the fee described in subsection (a) for the 12-month period commencing on January 1 of the succeeding calendar year, as follows:

[(A) The Secretary (in consultation with the Attorney General and the Secretary of State) shall estimate the number of aliens described in section 101(a)(15)(B) of the Immigration and Nationality Act (8 succeeding calendar year, based upon the number of such aliens who entered the United States during the previous calendar year (as reported or estimated by the Attorney General) and such other available information as the Secretary deems reliable.

[(B) The Secretary shall divide the amount appropriated to the United States Travel and Tourism Administration for the fiscal year during which such determination is made by the number of aliens described in subparagraph (A) expected by the Secretary to enter the United States during the calendar year described in such subparagraph, as estimated by the Secretary under such subparagraph, and shall round the result up to the nearest quarter-dollar.

[(C) The Secretary shall publish in the Federal Register the estimate required by subparagraph (A), together with a description of the information supporting such estimate, and the amount of the fee determined under subparagraph (B) which shall be applicable during the 12-month period commencing on January 1 of the succeeding calendar year.

[(D) For each calendar quarter beginning after December 31, 1991, the Secretary shall charge each commercial airline and passenger cruise ship line an amount equal to the fee amount determined under subparagraph (B) and applicable under subparagraph (C) multiplied by the number of aliens described in section 101(a)(15)(B) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(B)) arriving at any port within the United States aboard a commercial aircraft or cruise ship of such airline or passenger cruise ship line during that calendar quarter.

[(3) Neither the estimate of the Secretary under paragraph (2)(A) nor the amount determined by the Secretary under paragraph (2)(B) shall be subject to judicial review.

[(c) Each commercial airline and passenger cruise ship line shall remit the fee charged by the Secretary under subsection (b), in United States dollars, no later than 31 days after the close of the calendar quarter of the arrival of the aliens on which the calculation of the fee is based.

[(d) The Secretary shall deposit the fees received pursuant to subsection (c) in the general fund of the Treasury as offsetting re-

ceipts and ascribed to the travel and tourism activities of the Secretary.

[(e) Beginning on October 1, 1992, the aggregate amounts collected for the fee charged under this section shall at least equal the appropriations made for the travel and tourism activities of the Secretary under this Act, but at no time shall the aggregate of amounts collected for any fiscal year under this section exceed 105 percent of the aggregate of appropriations made for such fiscal year for activities to be funded by such fees.

[(f) The Secretary may prescribe such rules and regulations as may be necessary to carry out the provisions of this section.

[SEC. 307. (a) Any commercial airline or commercial cruise ship line which is found by the Secretary or the Secretary's designee, after notice and an opportunity for a hearing, to have failed to pay to the Secretary, by the due date, the fee charged by the Secretary under section 306(a), may be ordered by the Secretary or the Secretary's designee to pay any fee amount outstanding plus interest on any late payment and, in addition, to pay a civil penalty not to exceed \$5,000 for each day payment to the Secretary is not made or was made late. The amount of such civil penalty shall be assessed by the Secretary or the Secretary's designee by written notice. In determining the amount of such penalty, the Secretary or the Secretary's designee shall take into account the nature, circumstances, extent, and gravity of the violation, and, with respect to the violator, the degree of culpability, and history of prior offenses, ability to pay, and such other matters as justice may require. Each day a payment to the Secretary required by this Act is late shall constitute a separate violation of this Act.

[(b) If any commercial airline or cruise ship line fails to pay as ordered by the Secretary or the Secretary's designee, the Attorney General may, upon request of the Secretary, bring a civil action in any appropriate United States district court for the recovery of the amount ordered to be paid.

[(c) Before requesting the Attorney General to bring a civil action, the Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under subsection (a).

[(d) For the purpose of conducting any hearing under subsection (a), the Secretary or the Secretary's designee may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contempt or refusal to obey a subpoena served upon any person pursuant to this subsection, the United States district court for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or the Secretary's designee or to appear and produce papers, books, and documents before the Secretary or the Secretary's designee, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.]

SEC. 301. (a) In order to ensure that the United States' national interest in tourism is fully considered in Federal decision making, there is established a coordinating council to be known as the Tourism Policy Council (hereafter in this Act referred to as the "Council").

(b) The Council shall consist of the following individuals:

(1) The Secretary of Commerce, who shall serve as the Chairman of the Council.

(2) The Under Secretary of Commerce for International Trade.

(3) The Director of the Office of Management and Budget.

(4) The Secretary of State.

(5) The Secretary of Interior.

(6) The Secretary of Labor.

(7) The Secretary of Transportation.

(8) The Commission of the United States Customs Service.

(9) The Commissioner of the Immigration and Naturalization Service.

(10) Representatives of other Federal agencies which have affected interests at each meeting as deemed appropriate and invited by the Chairman.

(c) The Chairman is encouraged to consult with, and, to the extent the Chairman determines is appropriate, invite the direct participation in Council meetings of, the liaisons to the Council appointed under section 3(g) of the United States National Tourism Organization Act of 1996.

(d) Members of the Council shall serve without additional compensation.

(e) The Council shall conduct its first meeting not later than 90 days after the date of the enactment of the United States National Tourism Organization Act of 1996. Thereafter the Council shall meet not less than 2 times each year.

(f)(1) The Council shall coordinate national policies and programs relating to international travel and tourism, recreation, and national heritage resources, which involve Federal agencies;

(2) The Council may request directly from any Federal department or agency such personnel, information, services, or facilities as deemed necessary by the Chairman and to the extent permitted by law and within the limits of available funds.

(3) Federal departments and agencies may, in their discretion, detail to temporary duty with the Council such personnel as the Chairman may request for carrying out the functions of the Council. Each such detail of personnel shall be without loss of seniority, pay, or other employee status.

(g) Where necessary to prevent the public disclosure of non-public information which may be presented by a Council member, the Council may hold, at the discretion of the Chairman, a closed meeting which may exclude any individual who is not an officer or employee of the United States.

(h) The Council shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress on or before December 31 of each year. The report shall include—

(1) a comprehensive and detailed report of the activities and accomplishments of the Council;

(2) the results of Council efforts to coordinate the policies and programs of member's agencies that have a significant effect on international travel and tourism, recreation, and national heritage resources, including progress towards resolving interagency conflicts and development of cooperative program activity;

(3) an analysis of problems referred to the Council by State and local governments, the tourism industry, the United States National Tourism Organization, the Secretary of Commerce, along with a detailed summary of any action taken or anticipated to resolve such problems; and

(4) any recommendation as deemed appropriate by the Council.

DISSENTING VIEWS OF THE HONORABLE JOHN D. DINGELL

I oppose H.R. 2579, as reported, because it is unnecessary legislation, because it promises more than it delivers, and because it is a cynical approach to addressing legitimate issues involving the U.S. travel and tourism industry.

No one disputes the importance of travel and tourism to our economy. The industry generates billions of dollars in revenues and employs tens of thousands of Americans. In my home State of Michigan, tourism plays an important role in the State's economy. In fact, Governor Engler's Tourism Director asked me to support full funding for the U.S. Travel and Tourism Administration (USTTA), stating that "[e]limination of this agency or reduction in its already meager budget would seriously reduce our ability to contribute effectively to lowering the U.S. trade deficit through tourism." (December 19, 1994 letter from Arthur E. Ellis, Director, Michigan Travel Bureau).

I was a strong critic of USTTA in the past. My criticism of the agency had nothing to do with the importance of promoting legitimate U.S. tourism interests. Instead, it derived from the fact that the agency could not prove it brought into the U.S. more than what it cost American taxpayers to fund it. In 1985, I tried to abolish USTTA. That effort was rejected by a fully bipartisan majority of the Committee. The vote was 20–22.

I supported legislation in the 100th Congress to make USTTA fully funded by industry user fees, because that addressed my biggest concern about the agency—eliminating general taxpayer support for USTTA. Though the legislation was enacted (section 10301, Omnibus Budget Reconciliation Act of 1990, P.L. 100–508), it was never implemented, because some of the biggest beneficiaries of USTTA's programs, like the airline industry, alleged the bill violated provisions of an international treaty (see, Federal Register, Vol. 57, No. 23, February 4, 1992).

In the 102d Congress, the Committee on Energy and Commerce worked to enact bipartisan legislation to reform USTTA (Tourism Policy and Export Promotion Act of 1992, P.L. 102–372). Based on the new law, Commerce Secretary Ron Brown and Under Secretary Greg Farmer succeeded in making significant reforms of the agency. They made USTTA more accountable. They improved USTTA's relationships and partnerships with State and local governments. They worked closely with industry to reinvent the agency's programs. Their commendable efforts were evident in last year's White House Conference on Travel and Tourism, when government and industry officials came together and set objectives for implementing a national tourism plan.

Ironically, just as USTTA was taking important strides toward fulfilling its statutory responsibilities, the Republicans passed legislation—as part of one of their many continuing resolutions that

followed the disastrous partial government shutdowns—that zeroed out USTTA’s appropriation (H.R. 3019, Balanced Budget Down Payment Act, Part II, P.L. 104–134; see also, H. Rpt. 104–537, 142 Cong. Rec. H4187, April 30, 1996). This action was consistent with legislation Commerce Committee Republicans supported that abolished USTTA, as part of a larger effort to “eliminate” the Department of Commerce (see, H.R. 1756, the Department of Commerce Dismantling Act, as reported by the Committee on Commerce; see also, Title XVII, H.R. 2491, Budget Reconciliation Act of 1995).

At the same time Republicans were busy abolishing funding for USTTA—and as if to apologize for doing so—H.R. 2579 was introduced.

H.R. 2579 is a bill in search of a reason to exist. The main purpose of the bill is to create the United States National Tourism Organization, described in this report as a “privately-funded, non-profit, non-Federal organization.” But why do we need Federal legislation to create a private organization? Either there is a compelling interest justifying government involvement in the promotion of U.S. tourism interests or there is not. If there is such an interest, then the decision to eliminate USTTA funding should be reconsidered. If there is not such a compelling interest, we should leave it up to industry to decide if it wishes to avail itself of State laws governing the formation of “privately-funded, non-profit, non-Federal” organizations.

This bill is a fig leaf that tries to cover up what Republicans have done to USTTA. My Republican colleagues preach every day how we ought to get the Federal government out of the way and turn matters over to the States. Yet the fact is that adequate laws already exist in the District of Columbia and every one of the 50 States governing the establishment of non-profit corporations (see, e.g., Title 29, District of Columbia Code). It doesn’t take Federal legislation, like H.R. 2579, to create a non-profit corporation to promote American tourism interests.

Supporters of H.R. 2579 refer to the bill as “ground-breaking” legislation that is needed more than ever in view of the demise of USTTA (see, e.g., 142 Cong. Rec. E630, April 25, 1996). Nothing could be further from the truth. The bill does nothing that the private sector cannot do on its own. I am sure, however, the private sector will be back soon asking us to shower money or other special benefits on their new Congressionally-blessed corporation, all at the taxpayers’ expense.

Indeed, at the January 24, 1996 hearing on H.R. 2579, witnesses described the lack of Federal commitment to travel and tourism. Judson Green, President of Walt Disney Attractions, noted that Australia “invests” \$20 for each international visitor compared to only 28 cents by the United States government. Jonathan Tisch, President of Loews Hotels, testified that “[c]urrently, the U.S. ranks 33rd in terms of national tourism promotion budgets—even countries such as Tunisia and Malaysia spend more.” Roger Ballou, Chief Marketing Officer for Alamo Rent A Car, Inc., emphasized that governments of other countries “devote significant resources to their national tourism organization, knowing that the investment pays off handsomely.” This report ignores the calls for greater governmental involvement in tourism promotion, as clearly reflected in

the record before the Committee, and instead concludes that the “precipitous” decline of the American share of worldwide travel receipts (18.9 percent in 1993 to 17.9 percent in 1995) somehow will be cured by H.R. 2579. If H.R. 2579 is enacted, I will be watching anxiously to see if, when, and how the U.S. National Tourism Organization will reverse the decline of U.S. tourism cited in this report (if any reliable statistics are available).

I cannot in good conscience support this bill. It amounts to an apology to the travel and tourism industry—what politicians refer to as “cover.” It is designed to make it look like the Congress is doing something worthwhile while trying to hide what Republicans have already done.

JOHN D. DINGELL.

